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UNITED STATES DEPARTMENT OF AGRICULTURE

OFFICE OF THE SECRETARY—CIRCULAR No. 123

FOOD NEEDS FOR 1919

PART OF AGRICULTURAL PROGRAM FOR THE PERIOD
BEGINNING WITH THE AUTUMN OF 1918

LIVE-STOCK PRODUCTION
FOR 1919



WASHINGTON, OCTOBER, 1918

The requirements for shipment abroad in 1919 necessarily must be somewhat greater than the amount sent in 1918. To meet this call and to feed our home population without decreasing our ability to maintain a high rate of production is the opportunity and obligation of American swine raisers. The ratio of supplies for the last two years is shown by the numbers reported as slaughtered under Federal inspection:

Hogs slaughtered under Federal inspection.

12 months ended June 30, 1917.....	40,210,847
12 months ended June 30, 1918.....	35,448,848
First 7 months of 1917.....	21,922,460
First 7 months of 1918.....	23,991,059

The first seven months of 1918 show an increase of 9.4 per cent over the same period in 1917. This was due in part to an unusually large "carry-over" from the latter year. On the basis of September 1 estimates, the 1918 pig crop is 8.1 per cent above that of 1917.

It is necessary that there should be no decrease in the present rate of pork production. Some of the larger swine-raising States have been so seriously affected by drought that it will be impossible for them to produce as large a hog crop next year as during the present year. The deficiency must be made up by those States that have had a more favorable season.

The conference between the Live-Stock Subcommittee of the Agricultural Advisory Board, including special members representing the swine industry, and the Food Administration, held on October 23 to 25, after consideration of the present situation of the pork and hog market, reached the following conclusions, as stated in an official announcement of the Food Administration:

The entire marketing situation has so changed since the September joint conference as to necessitate an entire alteration in the plans of price stabilization. The current peace talk has alarmed the holders of corn, and there has been a price decline of from 25 cents to 40 cents per bushel. The fact that the accumulations of low-priced corn in the Argentine and South Africa would, upon the advent of peace and liberated shipping, become available to the European market, has created a great deal of apprehension on the part of corn holders. This decline has spread fear among swine growers that a similar reduction in the prices of hogs would naturally follow. Moreover, the lower range of corn prices would, if incorporated in a 13 to 1 ratio, obviously result in a continuously falling price for live hogs. In view of these changed conditions, many swine producers anticipated lower prices and, as a result, rushed their hogs to market

in large numbers, and this over-shipment has added to and aggravated the decline.

The information of the Department of Agriculture indicates that the supply of hogs has increased about 8 per cent, while the highest unofficial estimate does not exceed 15 per cent increased production over last year. On the other hand, the arrival of hogs during the last three weeks in the seven great markets has been 27 per cent more than last year during the corresponding period, demonstrating the unusually heavy marketing of the available supply. In the face of the excessive receipts some packers have not maintained the price agreed last month. On the other hand, many of the packers have paid over the price offered to them in an endeavor to maintain the agreed price. The result in any event has been a failure to maintain the October price basis determined upon at the September conference and undertaken by the packers. Another factor contributing to the break in prices during the month has been the influenza epidemic; it has sharply curtailed consumption of pork products and temporarily decreased the labor staff of the packers about 25 per cent.

The exports of 130,000,000 pounds of pork products for October, compared with about 52,000,000 pounds in October a year ago, and the export orders placeable by the Food Administration for November amount to 170,000,000, contrasted with the lesser exports of 98,000,000 for November, 1917. The increased demands of the Allies are continuing and are in themselves proof of the necessity for the large production for which the Food Administration asked. The increase in export demands appears to be amply sufficient to take up the increase in hog production, but unfavorable market conditions existing in October afford no fair index of the aggregate supply and demand.

It must be evident that the enormous shortage in fats in the Central Empires and neutral countries would immediately upon peace result in additional demands for pork products, which, on top of the heavy shipments to the Allies, would tend materially to increase the American exports, inasmuch as no considerable reservoir of supplies exists outside of the United States. It seems probable that the present prospective supplies would be inadequate to meet this world demand with the return to peace. So far as it is possible to interpret this fact, it appears that there should be even a stronger demand for pork products after the war, and therefore any alarm of hog producers as to the effect of peace is unwarranted by the outlook.

In the light of these circumstances, it is the conclusion of the conference that attempts to hold the price of hogs to the price of corn may work out to the disadvantage of pork producers. It is the conclusion that any interpretation of the formula should be a broad-

gauged policy applied over a long period. It is the opinion of the conference that in substitution of the previous plans of stabilization the Live-Stock Subcommittee of the Agricultural Advisory Board, together with the specially invited swine representatives, should accept the invitation of the Food Administration to join with the Administration and the packers in determining the prices at which controlled export orders are to be placed. This will be regularly done. The influence of these orders will be directed to the maintenance of the common object, namely, the stabilization of the price of live hogs so as to secure as far as it is possible fair returns to the producer and the insurance of an adequate future supply.

These foreign orders are placed upon the basis of cost of hogs to the packers.

As the result of long negotiations between this body and the Packers' Committee, representing the 45 to 50 packers participating in foreign orders, together with the Allied buyers, all under the Chairmanship of the Food Administration, the following undertaking has been given by the packers:

In view of the undertakings on the part of the Food Administration with regard to the coordinated purchases of pork products, covered in the attached, it is agreed that the packers participating in these orders will undertake not to purchase hogs for less than the following agreed minimums for the month of November, that is, a daily minimum of \$17.50 per hundred pounds on average of packers' droves, excluding throw-outs.

"Throw-outs" to be defined as pigs under 130 pounds, stags, boars, thin sows, and skips. Further, that no hogs of any kind shall be bought, except throw-outs, at less than \$16.50 per hundred pounds. The average of packers' droves to be construed as the average of the total sales in the market of all hogs for a given day. All the above to be based on Chicago.

We agree that a committee shall be appointed by the Food Administration to check the daily operations in the various markets with a view to supervision and demonstration of the carrying out of the above.

The ability of the packers to carry out this arrangement will depend on there being a normal marketing of hogs based upon the proportionate increase over the receipts of last year. The increase in production appears to be a maximum of about 15 per cent, and we can handle such an increase.

If the producers of hogs should, as they have in the past few weeks, prematurely market hogs at such increasing numbers over the above, it is entirely beyond the ability of the packers to maintain these minimums, and therefore we must have the cooperation of the producer himself to maintain these results. It is a physical impossibility for the capacity of the packing houses to handle a similar over-flood of hogs and to find a market for the output. The packers are anxious to cooperate with the producers in maintaining a stabilization of price and to see that producers receive a fair price for their products.

[Signed] THOS. E. WILSON,

Chairman, Packers' Committee.

The plan embodied above was adopted by the conference.

The Food Administrator has appointed a committee comprising Mr. Thomas E. Wilson, chairman of the Packers' Committee; Mr. Everett Brown, president of the Chicago Livestock Exchange; Major Roy of the Food Administration, and Mr. Louis D. Hall of the Bureau of Markets, to undertake the supervision of the execution of the plan in the various markets. Commission men are asked to cooperate in carrying out the plan embodied in the packers' agreement. It must be evident that offers by commission men to sell hogs below the minimum established above is not fair, either to the producer or the participating packers. Mr. Brown has undertaken on behalf of the commission men in the United States that they will loyally support the plan.

It is believed by the conference that this new plan, based as it is upon a positive minimum basis, will bring better results to the producer than average prices for the month. It does not limit top prices and should narrow the margins necessary to country buyers in a more variable market. It is believed that the plan should work out close to \$18.00 average.

Swine producers of the country will contribute to their own interest by not flooding the market, for it must be evident that if an excessive over-percentage of hogs is marketed in any one month, price stabilization and control cannot succeed; and it is certain that producers themselves can contribute materially to the efforts of the conferences if they will do their marketing in as normal a way as possible.

The whole situation as existing at present demands a frank and explicit assurance from the conferees represented, namely, that every possible effort will be made to maintain a live hog price commensurate with swine production costs and reasonable selling values, in execution of the declared policy of the Food Administration to use every agency in its control to secure justice to the farmer.

The stabilization methods adopted for November represent the best efforts of the conference, concurred in by the Food Administration and the Live-Stock Subcommittee of the Agricultural Advisory Board, together with special swine members, and the representatives of the packers, to improve the present unsatisfactory situation which has unfortunately resulted because of the injection of uncontrollable factors.

We ask the producer to cooperate with us in a most difficult task.

The members of the conference were:

Food Administration—Herbert Hoover, F. S. Snyder, Major E. L. Roy, G. H. Powell.

Department of Agriculture—Louis D. Hall, F. R. Marshall.

Producers—H. C. Stuart, Elk Garden, Va., chairman Agricultural Advisory Board; W. M. McFadden, Chicago, Ill.; A. Sykes, Ida Grove, Ia.; John M. Evvard, Ames, Ia.; J. H. Mercer, Topeka, Kan.; J. G. Brown, Monon, Ind.; E. C. Brown, president Chicago Livestock Exchange; N. H. Gentry, Sedalia, Mo.; John Grattan, Broomfield, Colo.; Eugene Funk, Bloomington, Ill.; Isaac Lincoln, Aberdeen, S. D.; C. W. Hunt, Logan, Ia.; C. E. Yancy, W. R. Dodson.

Packers—Thomas E. Wilson, F. W. Waddell, G. F. Swift, Jr., Robert Mair, Arthur Meeker, J. A. Hawkinson, G. C. Shepard, E. S. Waterbury, L. F. Freeman, F. T. Fuller, T. W. Taliafero, S. Nash, and others.

BEEF CATTLE.

The rate of recent shipments of beef and beef products to Europe is reported as follows:

Shipments of beef and beef products to Europe.

	Pounds.
12 months ended June 30, 1917.....	405,427,417
12 months ended June 30, 1918.....	662,354,721
6 months ended June 30, 1918.....	495,907,561

The rate of slaughter under Federal inspection during the same periods has been as follows:

Beef animals slaughtered under Federal inspection.

	Cattle.	Calves.
12 months ended June 30, 1917.....	9,299,489	2,679,745
12 months ended June 30, 1918.....	10,938,415	3,322,891
First 7 months of 1917.....	5,229,993	1,780,332
First 7 months of 1918.....	6,054,651	2,038,699

The comparatively heavy cattle slaughter of last year represented an increase in breeding operations. This year's figures represent, in part at least, forced shipments from drought areas of the Southwest and Western States and will quite probably diminish the numbers to be marketed next year.

The lack of rain in some range States and curtailment of grazing areas in others prevent a large increase of ranch output. The opportunity is peculiarly one for the farm States to furnish the required supplies from home-bred or purchased feeders. The maximum amount of beef in proportion to available labor and feed is called for.

This is a scientific war. It is being won by the accomplishment of the impossible. It can be fought and won on the farms and in the feed lots by the use of science and the courageous adoption of the newest methods, no less effectively than on the firing line. Experiment stations in the corn belt have shown a way to a larger and more profitable use of roughages which heretofore have been too lightly esteemed. Their greater use means lower cost of production of beef and conservation of corn for other feeding uses and for industrial and export needs for which there are no substitutes.

The possibility of a continuation of a lessened home consumption of beef that has resulted from high prices charged the consumers can not safely be ignored in consideration of the present and future status of the beef-cattle industry.

SHEEP.

Lamb and mutton are not being exported in such quantities as other meats. Their larger production, however, is also necessary to replace beef and pork withheld from civilian trade for military requirements. Their production is also needed in partial substitution for the heavier labor requirements of other lines of farm output.

The rate of slaughter of sheep and lambs under Federal inspection is as follows:

Sheep and lambs slaughtered under Federal inspection.

12 months ended June 30, 1917-----	11,343,418
12 months ended June 30, 1918-----	8,769,497
First 7 months of 1917-----	5,444,420
First 7 months of 1918-----	5,050,122

The larger lamb crop of 1918 will increase market receipts above those from the smaller yield secured in 1917. Extensive increases in range breeding flocks can not be undertaken safely in view of the changes in the use of former grazing lands. There has been a delayed but logical movement toward more and better kept farm flocks. Estimates of January 1, 1918, showed 2.7 per cent more sheep in the United States than for one year previous. Estimates of July 1, 1918, indicate a 12.7 per cent increase in sheep over the same date of the previous year.

*Live-Stock Production for 1919.**Wool production, requirements, and supplies.*

	Pounds.
The estimated United States wool production (excluding about 40,000,000 pounds of pulled wool) in 1917 was--	245,573,000
The estimated United States wool production (excluding pulled wool) in 1918 was-----	257,921,000
Army, Navy, and semi-Government requirements for the year ending June 30, 1919, are placed at 238,500,000 pounds of scoured wool, approximately equal to a grease weight of-----	577,000,000
Total grease wool in dealers' and manufacturers' hands on June 30, 1917-----	338,507,500
Total scoured wool in dealers' and manufacturers' hands on June 30, 1918-----	31,321,597

A critical wool situation was avoided by the arrival of large shipments of foreign wool prior to the withdrawal of ships for larger use on the Atlantic in 1918. To meet military requirements of wool over an extended period or to maintain even reduced manufacturing for civilian trade, reliance must be placed on increased production in the United States or upon the use of ships on nonwar routes.

DAIRY PRODUCTS.

An adequate supply of dairy products is necessary for the United States and the Allies. Although there is a variation from time to time, normally dairy products constitute almost one-fifth of the food supply of these countries. It is vital, therefore, that dairy production be maintained to an extent necessary to meet all their requirements. The present abnormal conditions may cause even greater variations, so that exact demands can not accurately be foretold. In Europe, because of the decrease in the herds and the lack of proper feeding stuffs, a great shortage of dairy animals and products has developed. It is probable that with the largest increase possible in stable and efficient dairying and with adequate transportation, we shall still be unable to meet the need fully. Dairymen of this country are urged to do all that sound business methods will permit to maintain dairying, and in case unsatisfactory conditions develop temporarily or locally, that they be not hasty in disposing of animals or otherwise reducing production.

Every good grade and pure-bred dairy cow in this country should be retained, if possible, and kept at work producing milk. Such organizations as the cow-testing associations, which point out the good cows, and bull clubs, which most rapidly increase them, should by all means be kept active and increased in numbers.

It may be impracticable for some dairymen in certain sections to maintain their full herds, and in such cases it is urged that an effort be made to place all efficient animals to be disposed of in the hands of those who are in a position to take care of them.

It is of the utmost importance that dairymen make provision for an abundant supply of home-grown feed, particularly silage and leguminous hay. The liberal use of such feeds will help to relieve the burden on the railroads and will also make for economy of production by reducing the quantity of high-priced concentrates needed.

In certain sections dairymen are experiencing difficulty in obtaining labor. The difficulty is being met in many cases by boys and girls, and in some cases by women, taking the place of men in caring for cows and doing the milking.

Dairy farmers should consume more dairy products; furthermore, farms on which commercial dairying is not practiced should produce an adequate supply of dairy products for home use. Pasture grass and other unsalable feeds on such farms can be used advantageously in feeding one or two dairy cows. By this means, with but little effort, considerable quantities of feed can be conserved and the food supply of the farm greatly augmented and improved.

The dairy industry sustains a heavy loss annually because of the lack of proper care in handling dairy products. Perhaps the greatest loss can be prevented by proper care of milk and cream on the farm. To do this every farm should have facilities for sterilizing all milk utensils and for promptly cooling milk and cream. Every producer of market milk who is located in the regions where natural ice is available should have an ice house filled for summer use. It will not only pay, but will save large quantities of a very valuable human food.

Large quantities of skimmed milk can be used as human food if properly cared for. The demand for skimmed milk and its products is growing, but it should be stimulated in every way possible. They are highly nutritious, inexpensive, and are a very valuable source of food. Whenever possible, skimmed milk should be utilized as human food rather than as feed for animals.

It is important that the standards for all dairy products be maintained, not only because of legal requirements, but because high standards result in greater satisfaction to the consumer, with consequent larger demands. Frequent changes in labor and the use of inexperienced help in the dairy add to the difficulty of producing high-grade milk. Every effort, however, should be made to supply a clean and safe product.

Live-Stock Production for 1919.

Our exports of dairy products have greatly increased since the war began. The excess of exports over imports is shown in the following tables, which show also the fluctuation from year to year. These increased exports indicate that the dairymen of this country are being called upon more and more to meet the great need of the Allies for dairy products.

Exports and imports of butter, for the United States.

[Foreign Commerce and Navigation of the United States, Department of Commerce.]

Year ended June 30.	Exports (domestic).	Imports for consump- tion.	Excess of exports over imports.	Excess of imports over exports.
	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>
1910.....	3,140,545	1,386,307	1,754,238	-----
1911.....	4,877,797	894,211	3,983,586	-----
1912.....	6,092,235	1,005,640	5,086,595	-----
1913.....	3,585,600	1,178,133	2,407,467	-----
1914.....	3,693,597	7,788,390	-----	4,094,793
1915.....	9,850,704	3,695,882	6,154,822	-----
1916.....	13,503,279	720,961	12,782,318	-----
1917.....	26,835,092	523,808	26,311,284	-----
1918.....	17,735,966	¹ 1,839,306	15,896,660	-----

¹ General imports.

NOTE.—The imports include the butter brought in from Cuba under a reciprocity treaty.

Exports and imports of cheese, for the United States.

[Foreign Commerce and Navigation of the United States, Department of Commerce.]

Year ended June 30.	Exports (domestic).	Imports for consump- tion.	Excess of exports over imports.	Excess of imports over exports.
	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>
1910.....	2,846,709	40,817,007	-----	37,970,298
1911.....	10,366,605	45,434,881	-----	35,068,276
1912.....	6,337,559	46,017,405	-----	39,679,846
1913.....	2,559,058	48,449,902	-----	45,850,844
1914.....	2,427,577	64,497,469	-----	62,069,892
1915.....	55,362,917	48,097,128	7,265,789	-----
1916.....	44,394,301	31,420,537	12,973,764	-----
1917.....	66,050,013	14,685,866	51,364,147	-----
1918.....	44,330,978	9,839,305	34,491,673	-----

NOTE.—The imports include the cheese brought in from Cuba under a reciprocity treaty.

Exports and imports of condensed milk, for the United States.

Year ended June 30.	Exports (domestic).	Imports for consump- tion.	Excess of exports over imports.
	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>
1910.....	13,311,318	598,134	12,713,184
1911.....	12,180,445	630,308	11,550,137
1912.....	20,642,738	698,176	19,944,562
1913.....	16,525,918	1,778,044	14,747,874
1914.....	16,209,082	14,951,086	1,257,996
1915.....	37,235,627	33,613,389	3,622,238
1916.....	159,577,620	18,173,426	141,404,194
1917.....	259,102,213	19,356,416	240,745,797
1918.....	529,750,032	29,926,931	499,823,101

NOTE.—Quantity of domestic condensed milk exported was not reported prior to the fiscal year 1910, and has not been reported at all in "imports" (general) or in exports of "foreign" produce. However, the difference between the two latter items is regarded as about the same as "imports for consumption."

The import duty on condensed milk (2 cents per pound) was removed in the fiscal year 1914.

POULTRY.

The value of poultry and eggs as food products can not be questioned, either from the standpoint of food value or the rapidity with which they can be made available for market and consumption. With this in mind, together with the fact that the production of poultry and eggs lends itself readily to most farm conditions in practically all sections of the country, the department is making an appeal to the farmers and poultrymen to renew their interest in this vital branch of production. Definite plans have been laid for the launching of this campaign and 10 main points of appeal have been decided upon. Each of these phases will receive special emphasis and be launched at a time of the year which will bring the greatest results. They are as follows:

1. Keep better poultry. Standard-bred poultry improves quality and increases production.
2. The selection of healthy, vigorous breeders, to increase the number of strong chicks which will develop into better producers.
3. Hatch early; early hatched chicks will develop into fall and winter layers.
4. Cull the flocks, thus eliminating the unprofitable producers and at the same time conserving the grain supply.
5. Preserve eggs when cheap for home consumption, thus releasing red meat.
6. The production of infertile eggs except during the hatching season. This one phase of the campaign will save millions of dollars' worth of food for human consumption.
7. The keeping of a small back-yard flock by city dwellers to utilize the waste from the American kitchens.
8. The production of as much poultry feed as possible to reduce the cost of poultry and egg production.
9. The consumption of more poultry and eggs to conserve the meat supply needed for the Army
10. One hundred hens on every farm; one hundred eggs from every hen.

The 10 phases of this campaign will be urged upon the people of the Nation, not only as a means of increasing the production much needed by our Government to carry on the war successfully, but also from the standpoint of better compensation for the individual in return for his increased efforts.

FEDERAL AND STATE PLANS FOR AIDING IN SECURING NECESSARY SUPPLIES OF LIVE-STOCK PRODUCTS.

The agricultural extension departments of all States are organized to set forth the demands of the present situation. Through his county agent any farmer can learn what special lines of effort are considered

as requiring special attention in his section and the extent to which he should contribute individually.

From funds provided by the Food Production Act, the Bureau of Animal Industry is cooperating with State departments of agricultural extension in securing the services of experienced men to do active field work in explaining the situation and in furnishing advice and direction regarding the adoption of the most economical practices in all lines of animal production. These specialists work in cooperation with the county agents on the following lines: Pork production, beef production, dairy production, swine production, sheep raising, and poultry production. Other special and extensive plans have also been inaugurated in cooperation with the State extension departments for the lessening of losses from hog cholera and from tuberculosis in cattle and for more energetic steps in the eradication of ticks in southern areas.

